

East Hartford Chamber of Commerce Glastonbury Chamber of Commerce Greater Manchester Chamber of Commerce North Central CT Chamber of Commerce South Windsor Chamber of Commerce Tolland County Chamber of Commerce

## TESTIMONY MARY ELLEN DOMBROWSKI AND BILL HOROWITZ GOVERNMENT RELATIONS CO-CHAIRS EAST OF THE RIVER CHAMBERS OF COMMERCE ASSOCIATION BEFORE THE LABOR COMMITTEE MARCH 2, 2010

The East of the River Chambers of Commerce Association (ERCCA) includes 3500 businesses from Glastonbury, East Hartford, Manchester, North Central Connecticut, South Windsor and Tolland County.

ERCCA <u>opposes</u> SB-169, An Act Requiring Employers To Cite A Reason For Termination Of Their Employee, which requires that an employer provide a reason, in writing, for terminating an employee.

Connecticut is an at-will employment state. At-will employment is a legal concept that allows an employer to terminate an employee's employment at any time and for any reason, as long as the termination is not based on an illegal reason, such as discrimination. Furthermore, while employers can let go of employees under the at-will employment concept, at-will employees who believe they were unlawfully terminated can sue their at-will employers under Connecticut employment law.

If this measure were to be enacted every business owner will need to hire an attorney or HR consultant to review the written explanation for the termination of *every* employee in order to protect themselves from fines and other legal actions.

Furthermore, this legislation will impose increased costs and exposures for businesses at a time when they are fighting for mere survival. In fact, this bill would be another incentive to not hire full time employees and to prefer contract employees without insurances and retirement fund benefits because contract employees can not be terminated.

Small businesses will be the most harmed by passage of this measure because they would not be able to afford the resultant legal fees. Another consequence will be the time between any termination and the period of time that will be required for legal review. While larger companies may be able to respond more quickly with their HR staffs, smaller businesses will need to seek legal counsel or a qualified consultant.

Since almost all states are employment-at-will states, this mandate would weaken a Connecticut business' ability to compete with other states. For many years Connecticut has been one of the highest cost states to do business. Passage of this measure will only aggravate that fact.

Therefore, we respectfully urge the committee to **REJECT SB-169**.

Established more than 20 years ago, ERCCA represents six independent Chambers of Commerce serving over 28 towns in Eastern Connecticut and more than 3,500 business members